

BOB F. ANDERSON, PE, INC.
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March 28, 2007

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Alternate Unit Well
Horizontal Lateral
Lower Cotton Valley Zone, Reservoir A
LCV RA SU77
Elm Grove Field
Caddo Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **CAMTERRA RESOURCES, INC.**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Lower Cotton Valley Zone, Reservoir A, Elm Grove Field, Caddo Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize an horizontal lateral as an additional alternate unit well for the production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A, in the unit designate LCV RA SU77, Elm Grove Field, Caddo Parish, Louisiana, in exception to the spacing provisions of the 361-B Series of Office of Conservation Orders, such unit and proposed horizontal lateral shown on the attached plat and being made a part hereof.
2. To permit the proposed horizontal lateral to enter the Lower Cotton Valley Zone, Reservoir A, in the unit designated LCV RA SU77, at least 330' from a unit boundary, to terminate the horizontal lateral at least 330 feet from a unit boundary and to permit the lateral to be drilled no closer than 330 feet from the nearest unit boundary.
3. To fine that an additional alternate unit well is needed on the LCV RA SU77 to assist in draining a portion of the Lower Cotton Valley Zone, Reservoir A, that cannot be drained by any other well located within the unit.
4. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit well or from a combination of all wells at its discretion.

Hon. James H. Welsh
Elm Grove Field
2

5. To consider and cover such other matters as the Commissioner of Conservation may deem and appropriate.

The Lower Cotton Valley Zone, Reservoir A, was defined in Office of Conservation Order No.362-E, effective July 16, 1996, in the Elm Grove Field, Bossier, Caddo and Bienville Parishes, Louisiana.

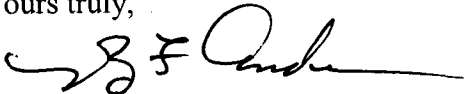
The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

The subject matter to this application does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom a copy of this application is being sent. A copy of this letter, plat and list of parties is being sent to the District Manager of the Shreveport District Office of Conservation and a copy of this letter and plat is being sent to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

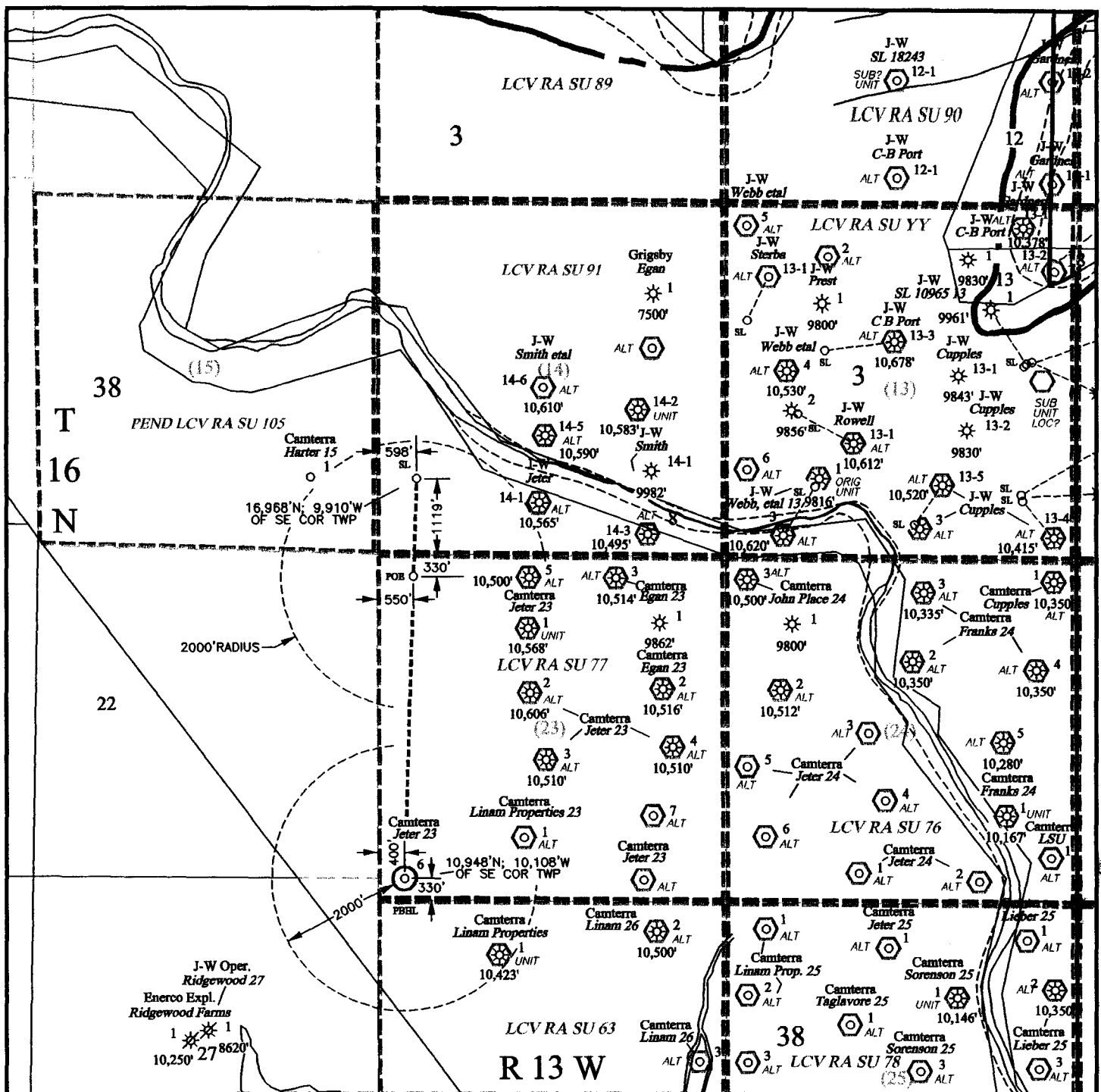
Attached is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,



B. F. Anderson, PE for
CAMTERRA RESOURCES, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)
Interested Owners, Represented Parties and Interested Parties (w/plat)
Camterra Resources, Inc. (w/encl.)
Heritage Energy (w/plat)



CAMTERRA RESOURCES, INC.
MARSHALL, TEXAS

ELM GROVE FIELD
CADDO PARISH, LOUISIANA

**PROPOSED HORIZONTAL LATERAL
ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION
FOR LCV RA SU 77**

